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SUBJECT: MINISTER OF TRANSPORTATION ON OPEN SKIES, MARITIME
TREATY, AND FINANCING

REF: A. 09 TUNIS 890
[1](#)B. 09 TUNIS 829

Sensitive but unclassified; please protect accordingly.

Summary

[1](#)1. (SBU) In a January 19 courtesy call by the Ambassador, Minister of Transportation Abderrahim Zouari confirmed Tunisia's willingness to negotiate an Open Skies Agreement, proposed signing a bilateral maritime cooperation agreement, and agreed in principle to host a port visit by the U.S. Coast Guard. Zouari, accompanied by the Directors General of Maritime Transport, Civil Aviation, Financing, and External Relations, lauded past cooperation between the U.S. and Tunisia on transportation issues. Zouari mentioned the Enfidha sea and airport projects and reiterated his vision of Tunisia as a regional transport hub for the Mediterranean. End summary.

Maritime Issues: USCG Visit, Maritime Cooperation Agreement

[1](#)2. (SBU) Minister of Transportation Abderrahim Zouari, in a January 19 courtesy call by the Ambassador, lauded the longtime cooperation between the United States and Tunisia. He referenced many successful visits of U.S. delegations, including a United States Coast Guard (USCG) visit in January 2005 and a U.S. Trade and Development Agency visit in November 2008. (Note: the USTDA visit was to be the initial step toward a port feasibility study for a Tunisian port infrastructure project. The project fell through when the Government of Tunisia pulled the plug shortly after the USTDA visit. End note.) Zouari described in length the Enfidha airport and seaport projects, and noted that the airport was already operational and that two companies were set to begin construction on the deep water sea port (ref a) shortly.

[1](#)3. (SBU) The Ambassador referred to several diplomatic notes sent by the Embassy regarding a port visit by the USCG under the auspices of the 2002 Maritime Transportation Security Act. To date, the GOT has not responded to the request for a visit, despite notification that non-responsiveness will eventually result in Tunisia's placement on the Port Advisory List -- a move that would subject any vessel having visited Tunisia during its last five ports of call to additional scrutiny. Zouari, as well as the Director General of the Merchant Marine and Ports, Mokhtar Rachdi, noted they would welcome a USCG visit and would be in touch about details. Zouari also noted he would like Tunisians to visit U.S. ports

as well. In November-December 2008, a Tunisian National Commission conducted port visits and inspections and they went well, added the Minister.

14. (SBU) Minister Zouari said it was Tunisia's wish to negotiate a bilateral maritime cooperation agreement. Tunisia has such agreements with 25 countries, including eight European countries, and is looking to take advantage of its strategic position on the Mediterranean to become a regional transshipment hub and direct competitor to Tangiers. Rachdi added they were looking to attract Asian and American vessel traffic to the Enfidha deep water port (to be built next to the existing Enfidha International Airport). The agreement, according to Rachdi, would comprise ports, security, and ecological issues. The Minister said a draft text of such an agreement would be forthcoming.

Ben Ali's Wish for Open Skies

15. (SBU) Zouari said President Ben Ali wanted Tunisia to have fully open skies by 2011, and that the GOT was currently negotiating with the EU and Canada in this respect. He said the "decision had been taken" on Open Skies with the United States as well. Hamadi Ben Khalifa, Director General of Civil Aviation, was also present at the meeting. He acknowledged the receipt of the model Open Skies agreement sent by the Embassy in September 2009, and said the GOT was in the process of reviewing it. Zouari added that a New York-Tunis-Rome route would be profitable for the tourism sector. He also noted Tunisair was going to take delivery of new aircraft in 2012 that would be used to fly this route.

16. (SBU) Ben Khalifa also took the opportunity to highlight Tunisia's strides in civil aviation. He said Tunisia sat on the council of the International Civil Aviation Organization (ICAO), which had conducted its last inspection in Tunisia in November 2008. He said Tunisia fared well in the inspection, and worked closely with ICAO on issues of national security and terrorism. He noted the GOT held regular interagency meetings under the auspices of the National Security and Safety Commission, headed by the Minister of Transport.

17. (SBU) Zouari said the aeronautical industry was a growing sector in Tunisia, with over 46 companies currently manufacturing components here. He noted the opening of the Airbus plant and said Boeing was also identifying land for purchase to build a factory. (Note: Boeing's Middle East and Africa Sales Executive denies the company has any plans to build a factory in Tunisia. End note). Zouari identified Morocco as the biggest competitor in this sector, and added that a Boeing investment would be an important signal in attracting other companies to Tunisia.

EU and Asian Financing

18. (SBU) Also present at the meeting was the Ministry of Transport's Financial Affairs Director, who is in charge of coordinating credits, preferential financing, and grants for the transport sector. He noted most financing came from France, Spain, and Japan, at favorable terms such as 0.2 percent interest with a 7-10 year grace period. For 2010 in the railway sector alone, Tunisia had received close to \$700 million. He asked why the U.S. was not able to grant commensurate support, adding that it could have benefits for companies furnishing materials, such as General Motors. He characterized Tunisia as an "emerging economy" that relies on such preferential financing schemes to consolidate the transport sector.

Comment

19. (SBU) The courtesy call on the Ministry of Transport was attended by the highest Tunisian officials in charge of sea, air, and land transport. This provided an opportunity to discuss the Coast Guard visit and the Open Skies agreement directly. There was a disconnect between praise for the 2005 USCG visit and the Ambassador's need to raise the visit requests deflected since last year; we will continue to follow-up. On Open Skies, the good news is that the GOT says it is willing to sign an agreement, but the lack of details only confirms a vague timeline of one to two years for negotiations to begin. This is the first we have heard about a proposed Maritime Cooperation Agreement, and we look forward to seeing the GOT's draft text. End comment.
GRAY